

# HOUSE BILL No. 1153

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-15-15; IC 5-10-8; IC 11-10-5-4; IC 12-24-3-4; IC 20-15-4-3; IC 20-16-4-3.

**Synopsis:** Teachers employed at state institutions. Specifies a grievance procedure for teachers who are employed by the state. Specifies that the salary schedules for compensation of teachers at state institutions must: (1) include a daily rate of pay, an additional amount that equals the total amount of employer contributions made to all local retirement plans, and a severance benefit payable to retiring teachers; and (2) be equal to the salaries, the employer contributions to local retirement plans, and the severance benefits paid by the school corporation having the greatest enrollment in the county where the employing institution is located. Requires the state to provide a group health insurance program to retired state employees who were employed as teachers if the person was employed and participated in the employee's retirement fund for ten years immediately preceding retirement. Makes conforming amendments.

**Effective:** July 1, 2002.

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January 9, 2002, read first time and referred to Committee on Education.

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Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

## HOUSE BILL No. 1153

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A BILL FOR AN ACT to amend the Indiana Code concerning education.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 4-15-15 IS ADDED TO THE INDIANA CODE AS  
2       A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
3       1, 2002]:

4       **Chapter 15. Teachers Employed by State Agencies and**  
5       **Institutions**

6       **Sec. 1. This chapter applies to an individual who is employed as**  
7       **a teacher in a state institution under:**

- 8               (1) IC 11-10-5;  
9               (2) IC 12-24-3;  
10              (3) IC 16-33-3;  
11              (4) IC 16-33-4;  
12              (5) IC 20-15; or  
13              (6) IC 20-16.

14       **Sec. 2. (a) Instead of the grievance procedure described in**  
15       **IC 4-15-2-35, the grievance procedure established by this chapter**  
16       **applies to a teacher who is described in section 1 of this chapter.**

17       **(b) If a teacher wishes to file a grievance concerning an action**



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1 taken by the teacher's employer, the grievance must be filed  
2 according to the following procedure:

3 (1) The teacher may file a grievance with the teacher's  
4 immediate supervisor not more than thirty (30) working days  
5 after the action taken by the employer occurs.

6 (2) The immediate supervisor shall respond to a grievance  
7 filed under subdivision (1) not more than two (2) working  
8 days after the immediate supervisor receives the grievance.

9 (3) If the teacher is dissatisfied with the response under  
10 subdivision (2), the teacher may file a written grievance with  
11 the teacher's intermediate supervisor.

12 (4) The intermediate supervisor shall respond to a written  
13 grievance filed under subdivision (3) not more than four (4)  
14 working days after the intermediate supervisor receives the  
15 written grievance.

16 (5) If the teacher is dissatisfied with the response under  
17 subdivision (4), the teacher may file a written grievance with  
18 the superintendent of the institution in which the teacher is  
19 employed.

20 (6) The superintendent shall respond to a written grievance  
21 filed under subdivision (5) not more than ten (10) working  
22 days after the superintendent receives the written grievance.

23 (7) If the teacher is dissatisfied with the response under  
24 subdivision (6), the teacher may file a written grievance with  
25 the state personnel director appointed under IC 4-15-1.8-3 not  
26 more than fifteen (15) working days after the teacher receives  
27 the response under subdivision (6).

28 (8) The state personnel director shall respond to a written  
29 grievance filed under subdivision (7) not more than fifteen  
30 (15) working days after the state personnel director receives  
31 the written grievance.

32 (9) If the teacher is dissatisfied with the response under  
33 subdivision (8), the teacher may file a written grievance with  
34 the state employees' appeals commission under 33 IAC 1 not  
35 more than fifteen (15) working days after the teacher receives  
36 the response under subdivision (8).

37 (10) The state employees' appeals commission shall set a  
38 hearing date on the written grievance filed under subdivision  
39 (9) not more than thirty (30) working days after the state  
40 employees' appeals commission receives the written grievance  
41 and shall render a decision not more than thirty (30) working  
42 days after the date of the hearing unless this period is

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extended by the written consent of all parties.

(11) If the teacher is dissatisfied with the response under subdivision (10), the teacher may submit the grievance to arbitration not more than fifteen (15) working days after the teacher receives the response under subdivision (10).

(12) The arbitrator to whom the grievance is submitted under subdivision (11) shall hold a hearing and shall render a decision not more than thirty (30) working days after the hearing.

(c) An arbitrator to whom a grievance is submitted under subsection (b)(11) must be selected from:

(1) the American Arbitration Association; or

(2) the Federal Mediation and Conciliation Service, if an arbitrator is not available from the American Arbitration Association;

according to selection procedures established by the arbitrator's association or service.

(d) Costs of arbitration under this chapter shall be shared equally by the employer and the teacher or the teacher's organization.

(e) If the employer does not comply with the timelines set forth in subsection (b), the grievance proceeds to the next step of the procedure.

(f) A teacher who files a grievance under this chapter may choose a representative to represent the teacher in the grievance process under this section.

(g) The decision of the arbitrator is a final order subject to judicial review in accordance with IC 4-21.5-5.

Sec. 3. (a) This section provides the procedure to determine the salary and salary schedule for teachers who are described in section 1 of this chapter.

(b) A chief administrative officer who employs teachers or the officer's designee shall prescribe a salary schedule for each institution where teachers are employed. The salary schedule must include the following, subject to the approval of the state personnel department and the budget agency:

(1) A daily rate of pay for each teacher.

(2) An additional amount, payable to each teacher as salary, equal to the total amount of employer contributions made to all locally established retirement plans.

(3) A severance benefit payable only to retiring teachers.

Except as provided in subsection (c), the amounts listed in

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subdivisions (1) through (3) must equal the amounts provided for those same items by the school corporation having the largest enrollment in the county where the institution is located.

(c) This subsection applies only to teacher's salaries in correctional institutions. The amounts listed in subsection (b)(1) through (b)(3) must equal the amounts provided for those same items by the school corporation where the correctional institution is located if one (1) of the following applies:

(1) The school corporation where the correctional institution is located is the school corporation having the largest enrollment in the county.

(2) The correctional institution is located in a county having a population of:

(A) more than seventeen thousand (17,000) but less than seventeen thousand five hundred (17,500); or

(B) more than one hundred thousand (100,000) but less than one hundred five thousand (105,000).

(d) The chief administrative officer of the agency or institution that employs teachers shall prescribe the terms of the annual contract awarded to licensed teachers qualifying for payment under the salary schedule described in subsection (b).

(e) The hours of work for all teachers shall be set in accordance with IC 4-15-2.

SECTION 2. IC 5-10-8-6.5, AS ADDED BY P.L.233-1999, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6.5. (a) A member of the general assembly may elect to participate in either:

(1) the plan of self-insurance established by the state police department under section 6 of this chapter;

(2) the plan of self-insurance established by the state personnel department under section 7 of this chapter; or

(3) a prepaid health care delivery plan established under section 7 of this chapter.

(b) A former member of the general assembly who meets the criteria for participation in a group health insurance program provided under section ~~8(e)~~ 8 or 8.1 of this chapter may elect to participate in either:

(1) the plan of self-insurance established by the state police department under section 6 of this chapter; or

(2) a group health insurance program provided under section ~~8(e)~~ 8 or 8.1 of this chapter.

(c) A member of the general assembly or former member of the general assembly who chooses a plan described in subsection (a)(1) or

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(b)(1) shall pay any amount of both the employer and the employee share of the cost of the coverage that exceeds the cost of the coverage under the new traditional plan.

SECTION 3. IC 5-10-8-8, AS AMENDED BY P.L.13-2001, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. (a) This section applies only to the state and employees who are not covered by a plan established under section 6 of this chapter.

(b) ~~After June 30, 1986, Except as provided in subsection (c),~~ the state shall provide a group health insurance plan to each retired employee:

(1) whose retirement date is:

(A) after June 29, 1986, for a retired employee who was a member of the field examiners' retirement fund;

(B) after May 31, 1986, for a retired employee who was a member of the Indiana state teachers' retirement fund; or

(C) after June 30, 1986, for a retired employee not covered by clause (A) or (B);

(2) who will have reached fifty-five (55) years of age on or before the employee's retirement date but who will not be eligible on that date for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.;

(3) who will have completed twenty (20) years of creditable employment with a public employer on or before the employee's retirement date, ten (10) years of which shall have been completed immediately preceding the retirement; and

(4) who will have completed at least fifteen (15) years of participation in the retirement plan of which the employee is a member on or before the employee's retirement date.

(c) **The state shall provide a group health insurance program to each retired employee:**

(1) **who was employed as a teacher in a state institution under:**

(A) IC 11-10-5;

(B) IC 12-24-3;

(C) IC 16-33-3;

(D) IC 16-33-4;

(E) IC 20-15; or

(F) IC 20-16;

(2) **whose retirement date is after June 30, 2002;**

(3) **who is at least fifty-five (55) years of age on or before the employee's retirement date;**

(4) **who is not eligible for Medicare coverage as prescribed by**

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**42 U.S.C. 1395 et seq.; and**

**(5) who has at least ten (10) years of service credit as a participant in the retirement fund of which the employee is a member on or before the employee's retirement date, with at least ten (10) years of that service credit completed immediately preceding the participant's retirement.**

~~(c)~~ **(d)** The state shall provide a group health insurance program to each retired employee:

(1) who is a retired judge;

(2) whose retirement date is after June 30, 1990;

(3) who is at least sixty-two (62) years of age;

(4) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(5) who has at least eight (8) years of service credit as a participant in the Indiana judges' retirement fund, with at least eight (8) years of that service credit completed immediately preceding the judge's retirement.

~~(d)~~ **(e)** The state shall provide a group health insurance program to each retired employee:

(1) who is a retired participant under the prosecuting attorneys retirement fund;

(2) whose retirement date is after January 1, 1990;

(3) who is at least sixty-two (62) years of age;

(4) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(5) who has at least ten (10) years of service credit as a participant in the prosecuting attorneys retirement fund, with at least ten (10) years of that service credit completed immediately preceding the participant's retirement.

~~(e)~~ **(f)** The state shall make available a group health insurance program to each former member of the general assembly or surviving spouse of each former member, if the former member:

(1) is no longer a member of the general assembly;

(2) is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq. or, in the case of a surviving spouse, the surviving spouse is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(3) has at least ten (10) years of service credit as a member in the general assembly.

A former member or surviving spouse of a former member who obtains insurance under this section is responsible for paying both the employer and the employee share of the cost of the coverage.

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1        ~~(f)~~ (g) The group health insurance program required under  
 2 subsections (b) through ~~(e)~~ (f) must be equal to that offered active  
 3 employees. The retired employee may participate in the group health  
 4 insurance program if the retired employee pays an amount equal to the  
 5 employer's and the employee's premium for the group health insurance  
 6 for an active employee and if the retired employee within ninety (90)  
 7 days after the employee's retirement date files a written request for  
 8 insurance coverage with the employer. However, the employer may  
 9 elect to pay any part of the retired employee's premium with respect to  
 10 insurance coverage under this chapter.

11        ~~(g)~~ (h) Except as provided in subsection ~~(j)~~, (k), a retired employee's  
 12 eligibility to continue insurance under this section ends when the  
 13 employee becomes eligible for Medicare coverage as prescribed by 42  
 14 U.S.C. 1395 et seq., or when the employer terminates the health  
 15 insurance program. A retired employee who is eligible for insurance  
 16 coverage under this section may elect to have the employee's spouse  
 17 covered under the health insurance program at the time the employee  
 18 retires. If a retired employee's spouse pays the amount the retired  
 19 employee would have been required to pay for coverage selected by the  
 20 spouse, the spouse's subsequent eligibility to continue insurance under  
 21 this section is not affected by the death of the retired employee. The  
 22 surviving spouse's eligibility ends on the earliest of the following:

- 23            (1) When the spouse becomes eligible for Medicare coverage as  
 24 prescribed by 42 U.S.C. 1395 et seq.
- 25            (2) When the employer terminates the health insurance program.
- 26            (3) Two (2) years after the date of the employee's death.
- 27            (4) The date of the spouse's remarriage.

28        ~~(h)~~ (i) This subsection does not apply to an employee who is entitled  
 29 to group insurance coverage under IC 20-6.1-6-1(c). An employee who  
 30 is on leave without pay is entitled to participate for ninety (90) days in  
 31 any health insurance program maintained by the employer for active  
 32 employees if the employee pays an amount equal to the total of the  
 33 employer's and the employee's premiums for the insurance.

34        ~~(i)~~ (j) An employer may provide group health insurance for retired  
 35 employees or their spouses not covered by this section and may provide  
 36 group health insurance that contains provisions more favorable to  
 37 retired employees and their spouses than required by this section. A  
 38 public employer may provide group health insurance to an employee  
 39 who is on leave without pay for a longer period than required by  
 40 subsection ~~(h)~~: (i).

41        ~~(j)~~ (k) An employer may elect to permit former employees and their  
 42 spouses, including surviving spouses, to continue to participate in a

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group health insurance program under this chapter after the former employee (who is otherwise qualified under this chapter to participate in a group insurance program) or spouse has become eligible for Medicare coverage as prescribed by 42 ~~U.S.C.A.~~ U.S.C. 1395 et seq. An employer who makes an election under this section may require a person who continues coverage under this subsection to participate in a retiree health benefit plan developed under section 8.3 of this chapter.

SECTION 4. IC 11-10-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) All teachers employed by the department are subject to all provisions of law concerning the minimum salary of teachers and membership in any teachers' retirement fund plan. ~~The commissioner or the commissioner's designated representative shall annually determine the salary schedule of the largest school corporation of the county in which each correctional institution is located:~~

(b) ~~Except as provided in subsections (c) through (f), from the information described in subsection (a), the commissioner shall prescribe, subject to approval by the state personnel department and the budget agency, a salary schedule for each correctional institution, using a daily rate of pay for each teacher, which must be equal to that of the largest school corporation in the county in which the correctional institution is located:~~

(c) ~~The commissioner shall prescribe the terms of the annual contract awarded to licensed teachers qualifying for payment under the schedule established under subsection (b):~~

(d) ~~Hours of work for all teachers shall be set in accordance with IC 4-15-2:~~

(e) ~~If the school corporation in which the correctional institution is located becomes the largest school corporation in the county in which the correctional institution is located, the daily rate of pay for each teacher must be equal to that of the school corporation in which the correctional institution is located without regard to whether the school corporation in which the correctional institution is located remains the largest school corporation in the county:~~

(f) ~~Using a daily rate of pay for each teacher, the salary schedule for each correctional institution located in a county having a population of:~~

(1) ~~more than fifteen thousand (15,000) but less than sixteen thousand (16,000); or~~

(2) ~~more than seventy-five thousand (75,000) but less than seventy-eight thousand (78,000);~~

~~must be equal to that of the school corporation in which the correctional institution is located:~~



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1 (b) IC 4-15-15 applies to teachers who are employed by the  
2 department.

3 SECTION 5. IC 12-24-3-4 IS AMENDED TO READ AS  
4 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) Each year the  
5 director shall set a salary schedule for each of the educational systems  
6 established in a state institution as provided in subsections (b) and (c):

7 (b) The director shall set a salary schedule by using a daily rate of  
8 pay for each teacher that equals the rate of pay of the largest school  
9 corporation in the county in which the state institution is located. If the  
10 school corporation in which the state institution is located becomes the  
11 largest school corporation in the county in which the state institution  
12 is located, the daily rate of pay for each teacher must equal that of the  
13 school corporation in which the institution is located, without regard to  
14 whether the school corporation in which the state institution is located  
15 remains the largest school corporation in the county:

16 (c) The salary schedule set by the director is subject to the approval  
17 of the state personnel department and the budget agency:

18 (d) The director shall prescribe the terms of the annual contract. The  
19 prescribed annual contract shall be awarded to licensed teachers  
20 qualified for payment under the salary schedule prescribed under this  
21 section. The director shall advise the budget agency and the governor  
22 of this action:

23 (e) Hours of work for all teachers shall be set in accordance with  
24 ~~IC 4-15-2.~~ **IC 4-15-15 applies to teachers employed by state**  
25 **institutions.**

26 SECTION 6. IC 20-15-4-3, AS ADDED BY P.L.69-1999,  
27 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
28 JULY 1, 2002]: Sec. 3. (a) The board shall prescribe subject to the  
29 approval of the state personnel department and the budget agency, a  
30 salary schedule for the school, using a daily rate of pay for each teacher  
31 which must be equal to that of the largest school corporation in the  
32 county in which the school is located:

33 (b) The board shall prescribe the terms of the annual contract  
34 awarded to licensed teachers qualifying for payment under the salary  
35 schedule as described in subsection (a):

36 (c) The hours of work for all teachers shall be set in accordance with  
37 ~~IC 4-15-2.~~ **IC 4-15-15 applies to teachers employed by the school.**

38 SECTION 7. IC 20-16-4-3, AS ADDED BY P.L.69-1999,  
39 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
40 JULY 1, 2002]: Sec. 3. (a) The board shall prescribe subject to the  
41 approval of the state personnel department and the budget agency, a  
42 salary schedule for the school using a daily rate of pay for each teacher;



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1 which must be equal to that of the largest school corporation in the  
2 county in which the school is located:

3 (b) The board shall prescribe the terms of the annual contract  
4 awarded to licensed teachers qualifying for payment under the salary  
5 schedule as described in subsection (a):

6 (c) The hours of work for all teachers shall be set in accordance with  
7 ~~IC 4-15-2~~. **IC 4-15-15 applies to teachers employed by the school.**

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